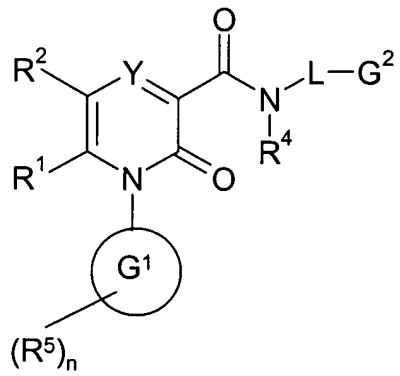
IN THE CLAIMS:

Please amend the claims as follows:

Claim 1 (**currently amended**): A compound of formula (I)



(I)

wherein:

Y represents CR^3or N;

$\mathbf{R^1}$ represents H or C1 to 6 alkyl;

$\mathbf{R^2}$ represents phenyl or a five- or six-membered heteroaromatic ring containing 1 to 4 heteroatoms independently selected from O, S and N; said aromatic ring being optionally substituted by 1 to 3 substituents selected independently from OH, halogen, C1 to 6 alkyl, C1 to 6 alkoxy, $NR^{58}COR^{50}$, $COOR^{51}$, COR^{52}, $CONR^{53}R^{54}$ and $NR^{47}R^{48}$; said alkyl being optionally further substituted by OH, C1 to 6 alkoxy, CN or CO_2R^{49};

$\mathbf{R^{47}}$ and $\mathbf{R^{48}}$ independently represent H, C1 to 6 alkyl or C2 to 6 alkanoyl;

$\mathbf{R^3}$ represents H or F;

$\mathbf{G^1}$ represents phenyl or a five- or six-membered heteroaromatic ring containing 1 to 3 heteroatoms independently selected from O, S and N;

$\mathbf{R^5}$ represents H, halogen, C1 to 6 alkyl, CN, C1 to 6 alkoxy, NO_2, $NR^{14}R^{15}$, C1 to 3 alkyl substituted by one or more F atoms or C1 to 3 alkoxy substituted by one or more F atoms;

$\mathbf{R^{14}}$ and $\mathbf{R^{15}}$ independently represent H or C1 to 3 alkyl; said alkyl being optionally further substituted by one or more F atoms;

n represents an integer 1, 2 or 3 and when n represents 2 or 3, each R^5 group is selected independently;

$\mathbf{R^4}$ represents H or C1 to 6 alkyl; said alkyl being optionally further substituted by OH or C1 to 6 alkoxy;

or $\mathbf{R^4}$ and **L** are joined together such that the group $-\mathbf{NR^4L}$ represents a 5 to 7 membered azacyclic ring optionally incorporating one further heteroatom selected from O, S and NR^{16};

L represents a bond, O, S(O)p, NR^{29} or C1 to 6 alkyl; said alkyl optionally incorporating a heteroatom selected from O, S and NR^{16}; and said alkyl being optionally further substituted by OH or OMe;

$\mathbf{G^2}$ represents a monocyclic ring system selected from:

i) phenyl or phenoxy,

ii) a 5 or 6 membered heteroaromatic ring containing one to three heteroatoms independently selected from O, S and N,

iii) a C3 to 6 saturated or partially unsaturated cycloalkyl, or

iv) a C4 to 7 saturated or partially unsaturated heterocyclic ring containing one or two heteroatoms independently selected from O, $S(O)_p$ and NR^{17} and optionally further incorporating a carbonyl group; or

$\mathbf{G^2}$ represents a bicyclic ring system in which each of the two rings is independently selected from:

i) phenyl,

ii) a 5 or 6 membered heteroaromatic ring containing one to three heteroatoms independently selected from O, S and N,

iii) a C3 to 6 saturated or partially unsaturated cycloalkyl, or

iv) a C4 to 7 saturated or partially unsaturated heterocyclic ring containing one or two heteroatoms independently selected from O, $S(O)_p$ and NR^{17} and optionally further incorporating a carbonyl group;

and the two rings are either fused together, or are bonded directly together or are separated by a linker group selected from O, $S(O)_q$ or CH_2,

said monocyclic or bicyclic ring system being optionally further substituted by one to three substituents independently selected from CN, OH, C1 to 6 alkyl, C1 to 6 alkoxy, halogen, $NR^{18}R^{19}$, NO_2, OSO_2R^{38}, CO_2R^{20}, $C(=NH)NH_2$, $C(O)NR^{21}R^{22}$, $C(S)NR^{23}R^{24}$, $SC(=NH)NH_2$, $NR^{31}C(=NH)NH_2$, $S(O)_sR^{25}$, $SO_2NR^{26}R^{27}$, C1 to 3 alkoxy substituted by one or more F atoms and C1 to 3 alkyl substituted by SO_2R^{39}, $NR^{56}R^{57}$ or by one or more F atoms;

or when L does not represent ~~an~~ a bond, $\mathbf{G^2}$ may also represent H;

~~At~~ at each occurrence, **p, q, s** and **t** independently represent an integer 0, 1 or 2;

$\mathbf{R^{18}}$ and $\mathbf{R^{19}}$ independently represent H, C1 to 6 alkyl, formyl, C2 to 6 alkanoyl, $S(O)_tR^{32}$ or $SO_2NR^{33}R^{34}$; said alkyl group being optionally further substituted by halogen, CN, C1 to 4 alkoxy or $CONR^{41}R^{42}$;

$\mathbf{R^{25}}$ represents H, C1 to 6 alkyl or C3 to 6 cycloalkyl; said alkyl group being optionally further substituted by one or more substituents selected independently from OH, CN, $CONR^{35}R^{36}$, CO_2R^{37}, $OCOR^{40}$, C3 to 6 cycloalkyl, a C4 to 7 saturated heterocyclic ring containing one or two heteroatoms independently selected from O, $S(O)_p$ and NR^{43} and phenyl or a 5 or 6 membered heteroaromatic ring containing one to three heteroatoms independently selected from O, S and N; said aromatic ring being optionally further substituted by one or more substituents selected independently from halogen, CN, C1 to 4 alkyl, C1 to 4 alkoxy, OH, $CONR^{44}R^{45}$, CO_2R^{46}, $S(O)_sR^{55}$ and $NHCOCH_3$;

$\mathbf{R^{32}}$ represents H, C1 to 6 alkyl or C3 to 6 cycloalkyl;

$\mathbf{R^{16}}$, $\mathbf{R^{17}}$, $\mathbf{R^{20}}$, $\mathbf{R^{21}}$, $\mathbf{R^{22}}$, $\mathbf{R^{23}}$, $\mathbf{R^{24}}$, $\mathbf{R^{26}}$, $\mathbf{R^{27}}$, $\mathbf{R^{29}}$, $\mathbf{R^{31}}$, $\mathbf{R^{33}}$, $\mathbf{R^{34}}$, $\mathbf{R^{35}}$, $\mathbf{R^{36}}$, $\mathbf{R^{37}}$, $\mathbf{R^{38}}$, $\mathbf{R^{39}}$, $\mathbf{R^{40}}$, $\mathbf{R^{41}}$, $\mathbf{R^{42}}$, $\mathbf{R^{43}}$, $\mathbf{R^{44}}$, $\mathbf{R^{45}}$, $\mathbf{R^{46}}$, $\mathbf{R^{49}}$, $\mathbf{R^{50}}$, $\mathbf{R^{51}}$, $\mathbf{R^{52}}$, $\mathbf{R^{53}}$, $\mathbf{R^{54}}$, $\mathbf{R^{55}}$, $\mathbf{R^{56}}$, $\mathbf{R^{57}}$ **and** $\mathbf{R^{58}}$ independently represent H or C1 to 6 alkyl;

~~and~~ ~~or~~ a pharmaceutically acceptable salt ~~salts~~ thereof.

Claim 2 (**original**): A compound of formula (I), according to Claim 1, wherein Y represents CR^3.

Claim 3 (**currently amended**): A compound of formula (I), according to Claim 1 ~~or Claim 2~~, wherein G^1 represents phenyl.

Claim 4 (**currently amended**): A compound of formula (I), according to Claim 1 ~~any one of Claims 1 to 3~~, wherein R^5 represents Cl, CH_3, CN or CF_3.

Claim 5 (**cancelled**).

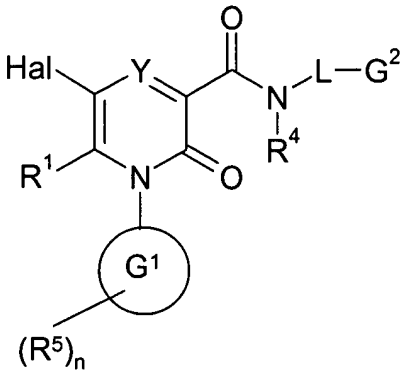
Claim 6 (**currently amended**): A pharmaceutical formulation comprising a compound of formula (I), as defined in any one of Claims 1 to 4, 11 and 12, or a pharmaceutically acceptable salt thereof, ~~optionally~~ in admixture with a pharmaceutically acceptable diluent or carrier.

Claim 7 (**currently amended**): A method of treating, or reducing the risk of, a human disease or condition in which inhibition of neutrophil elastase activity is beneficial which comprises administering to a person suffering from or susceptible to such a disease or condition, a therapeutically effective amount of a compound of formula (I), as defined in any one of Claims 1 to 4, 11 and 12, or a pharmaceutically acceptable salt thereof.

Claim 8-9 (**cancelled**).

Claim 10 (**currently amended**): A process for the preparation of a compound of formula (I), as defined in Claim 1 ~~any one of Claims 1 to 4~~, and optical isomers, racemates and tautomers thereof and pharmaceutically acceptable salts thereof, which comprises:

a) reacting a compound of formula (II)

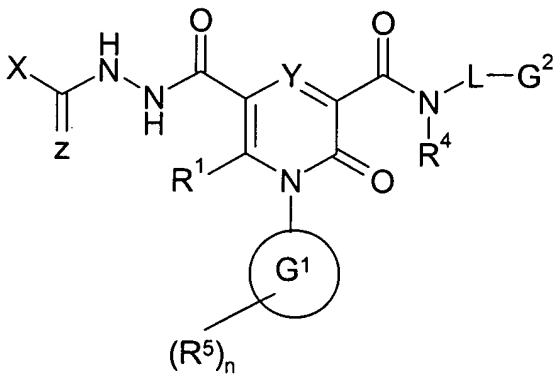


(II)

wherein R^1, R^4, R^5, Y, G^1, G^2, L and n are as defined in formula (I) and Hal represents a halogen atom~~, preferably bromo or iodo~~;

with a nucleophile R^2-M wherein R^2 is as defined in formula (I) and M represents an organo-tin or organo boronic acid group; or

b) when R^2 represents a 1,3,4-oxadiazol-2-yl or a 1,3,4-thiadiazol-2-yl ring, reacting a compound of formula (III)

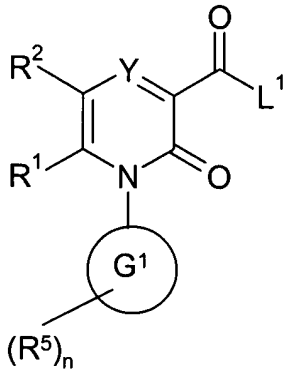


(III)

wherein R^1, R^4, R^5, Y, G^1, G^2, L and n are as defined in formula (I), Z represents O or S and X represents C1 to 6 alkyl or $NR^{47}R^{48}$ and R^{47} and R^{48} are as defined in formula (I);

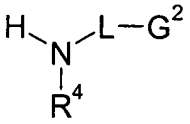
with a suitable dehydrating agent such as phosphoryl chloride or trimethylsilyl polyphosphate; or

c) reacting a compound of formula (XV)



(XV)

wherein R^1, R^2, R^5, n, G^1 and Y are as defined in formula (I) and L^1 represents a leaving group, with a compound of formula (IX) or a salt thereof



(IX)

wherein R^4, G^2 and L are as defined in formula (I);

and optionally ~~where desired or necessary~~ converting the resultant compound of formula (I), or another salt thereof, into a pharmaceutically acceptable salt thereof; or converting one compound of formula (I) into another compound of formula (I); and optionally ~~where desired~~ converting the resultant compound of formula (I) into an optical isomer thereof.

Claim 11 (**new**): A compound of formula (I), according to claim 1, wherein R^2 represents an optionally substituted five-membered heteroaromatic ring containing 1 to 4 heteroatoms independently selected from O, S and N.

Claim 12 (**new**): A compound of formula (I), according to claim 1, selected from:

5-(3,5-Dimethyl-isoxazol-4-yl)-6-methyl-2-oxo-1-(3-trifluoromethyl-phenyl)-1,2-dihydro-pyridine-3-carboxylic acid 4-methanesulfonyl-benzylamide;

6-Methyl-2-oxo-5-(5-propyl-[1,3,4]oxadiazol-2-yl)-1-(3-trifluoromethyl-phenyl)-1,2-dihydro-pyridine-3-carboxylic acid 4-methanesulfonyl-benzylamide;

6-Methyl-5-(3-methylisoxazol-5-yl)-*N*-[4-(methylsulfonyl)benzyl]-2-oxo-1-[3-(trifluoromethyl)phenyl]-1,2-dihydropyridine-3-carboxamide;

5-(3,5-Dimethylisoxazol-4-yl)-*N*-[4-(isopropylsulfonyl)benzyl]-6-methyl-2-oxo-1-[3-(trifluoromethyl)phenyl]-1,2-dihydropyridine-3-carboxamide;

N-[4-(Cyclopropylsulfonyl)benzyl]-5-(3,5-dimethylisoxazol-4-yl)-6-methyl-2-oxo-1-[3-(trifluoromethyl)phenyl]-1,2-dihydropyridine-3-carboxamide;

1-(3-Chlorophenyl)-5-(3,5-dimethyl-isoxazol-4-yl)-6-methyl-2-oxo-1,2-dihydro-pyridine-3-carboxylic acid 4-methanesulfonyl-benzylamide;

N-[4-(Cyclopropylsulfonyl)benzyl]-6-methyl-5-(5-methyl-1,3,4-oxadiazol-2-yl)-2-oxo-1-[3-(trifluoromethyl)phenyl]-1,2-dihydropyridine-3-carboxamide;

6-Methyl-5-(1-methyl-1H-pyrazol-5-yl)-N-{[5-(methylsulfonyl)pyridin-2-yl]methyl}-2-oxo-1-[3-(trifluoromethyl)phenyl]-1,2-dihydropyridine-3-carboxamide; and

5-(3,5-Dimethylisoxazol-4-yl)-6-methyl-N-{[5-(methylsulfonyl)pyridin-2-yl]methyl}-2-oxo-1-[3-(trifluoromethyl)phenyl]-1,2-dihydropyridine-3-carboxamide;

or a pharmaceutically acceptable salt thereof.

Claim 13 (**new**): A method for the treatment or prophylaxis of an inflammatory disease or condition which comprises administering to a person suffering from or susceptible to such a disease or condition, a therapeutically effective amount of a compound of formula (I), as defined in any one of Claims 1 to 4, 11 and 12, or a pharmaceutically acceptable salt thereof.

Claim 14 (**new**): A method for the treatment or prophylaxis of an of a disease or condition selected from adult respiratory distress syndrome (ARDS), cystic fibrosis, pulmonary emphysema, chronic obstructive pulmonary disease (COPD), pulmonary hypertension, asthma, rhinitis, ischemia-reperfusion injury, rheumatoid arthritis, osteoarthritis, cancer, atherosclerosis and gastric mucosal injury, which method comprises administering to a person suffering from or

susceptible to such a disease or condition, a therapeutically effective amount of a compound of formula (I), as defined in any one of Claims 1 to 4, 11 and 12, or a pharmaceutically acceptable salt thereof.